

## **2008 EDUCATIONAL REQUIREMENT CHANGE**

### **Trainee License & Residential License**

150 hours of education

Qualifying Education hours must include instruction in the following modules:

30 hours	Basic Appraisal Principles
30 hours	Basic Appraisal Procedures
15 hours	The 15-hour National USPAP Course
15 hours	Residential Market Analysis and Highest and Best Use
15 hours	Residential Appraiser Site Valuation and Cost Approach
30 hours	Residential Sales Comparison and Income Approaches
15 hours	Residential Report Writing and Case Studies

Note: Course work for the Trainee License cannot be taken more than 5 years prior to the application date.

### **Certified Residential License**

200 hours of education **and** an Associate Degree from a Regionally Accredited College.

Qualifying Education hours must include instruction in the following modules:

30 hours	Basic Appraisal Principles
30 hours	Basic Appraisal Procedures
15 hours	The 15-hour National USPAP Course
15 hours	Residential Market Analysis and Highest and Best Use
15 hours	Residential Appraiser Site Valuation and Cost Approach
30 hours	Residential Sales Comparison and Income Approaches
15 hours	Residential Report Writing and Case Studies
15 hours	Statistics, Modeling and Finance
15 hours	Advanced Residential Applications and Case Studies
20 hours	Appraisal Subject Matter Electives. May include hours over the minimum requirement in the above modules or in modules not listed above.

\* In lieu of the Associate Degree, an applicant can complete 21 college semester credits in courses covering the following specific subject matters: 1) English Composition; 2) Principles of Economics (Micro or Macro); 3) Finance; 4) Algebra, Geometry or higher mathematics; 5) Statistics; 6) Introduction to Computers; and 7) Business or Real Estate Law.

## **Certified General License**

300 hours of education **and** a Bachelors Degree from a Regionally Accredited College or University.

Qualifying Education hours must include instruction in the following modules:

30 hours	Basic Appraisal Principles
30 hours	Basic Appraisal Procedures
15 hours	The 15-hour National USPAP Course
30 hours	General Appraiser Market Analysis and Highest and Best Use
15 hours	Statistics, Modeling and Finance
30 hours	General Appraiser Sales Comparison Approach
30 hours	General Appraiser Site Valuation and Cost Approach
60 hours	General Appraiser Income Approach
30 hours	General Appraiser Report Writing and Case Studies
30 hours	Appraisal Subject Matter Electives. May include hours over the minimum requirement in the above modules or in modules not listed above.

**\*\*** In lieu of the Bachelors Degree, an applicant can complete 30 college semester credits in courses covering the following specific subject matters: 1) English Composition; 2) Micro Economics; 3) Macro Economics; 4) Finance; 5) Algebra, Geometry or higher mathematics; 6) Statistics; 7) Introduction to Computers; and 8) Business or Real Estate Law; and 9) two elective courses in accounting, geography, ag-economics, business management, or real estate.

## **2008 BASIC EDUCATION MODULE REQUIREMENTS**

A module is a subject matter area and not necessarily the name of the course. A course may consist of one or two complete modules or portions of several different modules. The following is a list of modules that are required for each license level effective January 1, 2008.

Minimum Hour	Basic Education Modules	License Level		
		Trainee/License	Certified Residential	Certified General
30	Basic Appraisal Principles	X	X	X
30	Basic Appraisal Procedures	X	X	X
15	15-Hour National USPAP Course	X	X	X
15	Residential Market Analysis and highest and Best Use	X	X	
15	Residential Appraiser Site Valuation and Cost Approach	X	X	
30	Residential Sales Comparison and Income Approach	X	X	
15	Residential Report Writing & Case Studies	X	X	
15	Advanced Residential Applications and Case Studies		X	
15	Statistics Modeling and Finance		X	X
30	General Appraiser Market Analysis and Highest and Best Use			X
30	General Appraiser Sales Comparison Approach			X
30	General Appraiser Site Valuation and Cost Approach			X
30	General Appraiser Report Writing and Case Studies			X
60	General Appraiser Income Approach			X
	Appraisal Subject Matter Electives. May include hours over the minimum requirement in the above modules or in modules not required		20 hours	30 hours

## **2008 BASIC EDUCATION MODULE AND SUBTOPICS**

The following are the subtopics for each module. Not all module subtopics are required for credit of a module. Courses may contain one module or parts of one or more modules.

### **Basic Appraisal Principles (30 hours required at all levels)**

- A. Real Property Concepts and Characteristics
  - Basic Real Property Concepts
  - Real Property Characteristics
  - Legal Description
- B. Legal Consideration
  - Forms of Ownership
  - Public and Private Controls
  - Real Estate Contracts
  - Leases
- C. Influences on Real Estate Values
  - Governmental
  - Economic
  - Social
  - Environmental, Geographic and Physical
- D. Types of Value
  - Market Value
  - Other Value Types
- E. Economic Principles
  - Classical Economic Principles
  - Application and Illustrations of the Economic Principles
- F. Overview of Real Estate Markets and Analysis
  - Market Fundamentals, Characteristics, and Definitions
  - Supply Analysis
  - Demand Analysis
  - Use of Market Analysis
- G. Ethics and How They Apply in Appraisal Theory and Practice

## **Basic Appraisal Procedures (30 hours required at all levels)**

- A. Overview to Approaches to Value
- B. Valuation Procedures
  - Defining the Problem
  - Collecting and Selecting Data
  - Analyzing
  - Reconciling and Final Value Opinion
  - Communicating the Appraisal
- C. Property Description
  - Geographical Characteristics of the Land/Site
  - Geologic Characteristics of the Land/Site
  - Location and Neighborhood Characteristics
  - Land/Site Considerations for Highest and Best Use
  - Improvements – architectural Styles and Types of Construction
- C. Residential Applications

## **The 15-Hour National USPAP Course or It's Equivalent (required at all levels)**

### **Residential Market Analysis and Highest and Best Use (15 Hours required at AT, AL & AR Levels)**

- A. Residential Markets and Analysis
  - Market Fundamentals, Characteristics and Definitions
  - Supply Analysis
  - Demand Analysis
  - Use of Market Analysis
- B. Highest and Best Use
  - Test Constraints
  - Application of Highest and Best Use
  - Special Considerations
  - Market Analysis
  - Case Studies

### **Residential Appraiser Site Valuation and Cost Approach (15 Hours required at AT, AL & AR Levels)**

- A. Site Valuation
  - Methods
  - Case Studies
- B. Cost Approach
  - Concepts and Definitions
  - Replacement/Reproduction Cost New
  - Accrued Depreciation
  - Methods of Estimating Accrued Depreciation

- Case Studies

**Residential Sales Comparison and Income Approaches (30 Hours required at AT, AL & AR Levels)**

- A. Valuation Principles & Procedures – Sales Comparison Approach
- B. Valuation Principles & Procedures – Income Approach
- C. Finance and Cash Equivalency
- D. Financial Calculator Introduction
- E. Identification, Derivation and Measurement of Adjustments
- F. Gross Rent Multipliers
- G. Partial Interests
- H. Reconciliation
- I. Case Studies and Applications

**Residential Report Writing and Case Studies (15 Hours required at AT, AL & AR Levels)**

- A. Writing and Reasoning Skills
- B. Common Writing Problems
- C. Form Reports
- D. Report options and USPAP Compliance
- E. Case Studies

**Statistics, Modeling and Finance (15 Hours required at AR & AG Levels)**

- A. Statistics
- B. Valuation Models (AVM's and Mass Appraisal)
- C. Real Estate Finance

**Advanced Residential Applications and Case Studies (15 Hours at AR Level)**

- A. Complex Property, Ownership and Market Conditions
- B. Deriving and Supporting Adjustments
- C. Residential Market Analysis
- D. Advanced Case Studies

**General Appraiser Market Analysis and Highest and Best Use (30 Hours required at AG Level)**

- A. Real Estate Markets Analysis
  - Market Fundamentals, characteristics and Definitions
  - Supply Analysis
  - Demand Analysis
  - Use of Market Analysis
- B. Highest and Best Use
  - Test Constraints
  - Application of Highest and Best Use
  - Special Considerations

- Market Analysis
- Case Studies

**General Appraiser Sales Comparison Approach (30 Hours required at AG Level)**

- A. Value Principles
- B. Procedures
- C. Identification and Measurement of Adjustments
- D. Reconciliation
- E. Case Studies

**General Appraiser Site Valuation and Cost Approach (30 Hours required at AG Level)**

- A. Site Valuation
  - Methods
  - Case Studies
- B. Cost Approach
  - Concepts and Definitions
  - Replacement/Reproduction Cost New
  - Accrued Depreciation
  - Methods of Estimating Accrued Depreciation
  - Case Studies

**General Appraiser Income Approach (60 Hours required at AG Level)**

- A. Overview
- B. Compound Interest
- C. Lease Analysis
- D. Income Analysis
- E. Vacancy and Collection Loss
- F. Estimating Operating Expenses and Reserves
- G. Reconstructed Income and Expense Statement
- H. Stabilized Net Operating Income Estimate
- I. Direct Capitalization
- J. Discounted Cash Flow
- K. Yield Capitalization
- L. Partial Interests
- M. Case Studies

**General Appraiser Report Writing and Case Studies (30 Hours required at AG Level)**

- A. Writing and Reasoning Skills
- B. Common Writing Problems
- C. Report Options and USPAP Compliance
- D. Case Studies